



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/032,653	11/13/2001	Joseph P. Blauvelt	36287-01401	6910

27171 7590 09/28/2006

MILBANK, TWEED, HADLEY & MCCLOY  
1 CHASE MANHATTAN PLAZA  
NEW YORK, NY 10005-1413

EXAMINER

LIVERSEDGE, JENNIFER L

ART UNIT PAPER NUMBER

3628

DATE MAILED: 09/28/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	Application No.	Applicant(s)	
	10/032,653	BLAUVELT ET AL.	
	Examiner	Art Unit	
	Jennifer Liversedge	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 13 November 2001.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 13 November 2001 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>See Continuation Sheet</u> .                                  | 6) <input type="checkbox"/> Other: _____                          |

Continuation of Attachment(s) 3. Information Disclosure Statement(s) (PTO/SB/08), Paper No(s)/Mail Date :3/20/2002, 9/26/2002, 4/11/2006.

## **DETAILED ACTION**

### ***Specification***

The disclosure is objected to because of the following informalities: pages 8 and 9 refer incorrectly to terminal 3, and therefore terminals 1 and 2, in terms of their function per the drawing. For example, page 8, line 18 should reference terminal 1 instead of terminal 3 and page 8, line 20 should refer to terminals 2 and 3 instead of 1 and 2. Numerous incidents of this error occur on pages 8 and 9.

Appropriate correction is required.

### ***Drawings***

The drawings are objected to as failing to comply with 37 CFR 1.84(p)(4) because reference character "100" has been used to designate both the system of Figure 1 and the system of Figure 3. However, they are different drawings. Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective

Art Unit: 3628

action in the next Office action. The objection to the drawings will not be held in abeyance.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-2, 4, 7-10 and 12-13 are rejected under 35 U.S.C. 102(e) as being anticipated by Pub. No. US 2001/0037284 A1 to Finkelstein et al. (further referred to as Finkelstein).

Regarding claim 1, Finkelstein discloses a method for automatically identifying a counter party position for a short or a long position (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79), the method comprising:

Receiving at a first terminal at least two short positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79);

Art Unit: 3628

Receiving at the first terminal at least two long positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79);

Identifying at the first terminal a selected short position from the at least two short positions and a selected long position from the at least two long positions, the selected short position and the selected long position identified by parameters associated with the positions (page 6, paragraph 40; page 7, paragraphs 44-47 and 49; page 8, paragraph 56; page 12, paragraph 89; page 13, paragraph 103) and

Providing sufficient information from the first terminal to a second terminal and to a third terminal to allow a transaction between the selected short position and the selected long position (page 9, paragraph 64; page 11, paragraph 79; page 12, paragraph 89; page 13, paragraph 103).

Regarding claim 2, Finkelstein discloses a method further comprising filtering the at least two short positions or the at least two long positions according to filter parameters (page 4, paragraph 27; page 5, paragraphs 33-34; page 6, paragraph 38; page 7, paragraphs 44, 47 and 49; page 8, paragraph 56; page 11, paragraphs 81-82; page 12, paragraphs 89 and 91-92; page 13, paragraph 108).

Regarding claim 4, Finkelstein discloses a method wherein the filter parameter is a member identity (page 4, paragraph 27; page 6, paragraph 38; page 7, paragraphs 44 and 47; page 8, paragraph 56; page 11, paragraph 81; page 12, paragraph 92).

Regarding claim 7, Finkelstein discloses a method wherein the at least two short positions include short positions in different securities (page 1, paragraphs 2-5).

Regarding claims 8-10, Finkelstein discloses a computer executable software code, a computer-readable medium containing executable software code and a programmed computer with a memory and processor for following the method as specified in claim 1 (page 12, paragraph 100 – page 13, paragraph 107).

Regarding claim 12, Finkelstein discloses a method for automatically identifying a counter party position for a short or a long position (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79), the method comprising:

Identifying at least two short positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79);

Sending information on the at least two short positions to a first terminal (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79); and

Receiving sufficient information from the first terminal to allow a transaction between a selected short position and a selected long position, the selected short position one of the at least two short positions, wherein the selected short position is identified from the at least two short positions and the selected long position is identified

Art Unit: 3628

from at least two long positions by parameters associated with the positions (page 6, paragraph 40; page 7, paragraphs 44-47 and 49; page 8, paragraph 56; page 12, paragraph 89; page 13, paragraph 103), and information on the at least two long positions is sent to the first terminal (page 9, paragraph 64; page 11, paragraph 79; page 12, paragraph 89; page 13, paragraph 103).

Regarding claim 13, Finkelstein discloses a method for automatically identifying a counter party position for a short or a long position (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79), the method comprising:

Identifying at least two long positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79);

Sending information on the at least two long positions to a first terminal (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79); and

Receiving sufficient information from the first terminal to allow a transaction between a selected long position and a selected short position, the selected long position one of the at least two long positions, wherein the selected long position is identified from the at least two long positions and the selected short position is identified from at least two short positions by parameters associated with the positions (page 6, paragraph 40; page 7, paragraphs 44-47 and 49; page 8, paragraph 56; page 12, paragraph 89; page 13, paragraph 103), and information on the at least two short



Art Unit: 3628

positions is sent to the first terminal (page 9, paragraph 64; page 11, paragraph 79; page 12, paragraph 89; page 13, paragraph 103).

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 3 and 5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Finkelstein.

Regarding claim 3, Finkelstein does not specifically disclose a method wherein the filter parameter is a percentage. However, Finkelstein discloses a method wherein the filter parameter is a quantity and an exposure level (page 2, paragraph 19; page 8, paragraph 56; page 11, paragraph 82). Examiner takes Official Notice that it is old and

Art Unit: 3628

well known that quantities and exposure levels can be expressed in absolute numbers or in percentage form. It would be obvious to one of ordinary skill in the art at the time of the invention that filtering parameters such as quantity and exposure level could be expressed either in absolute terms or in relative terms, such as a percentage. The motivation would be to provide both actual and relative representation of the values when considering short and long position transactions.

Regarding claim 5, Finkelstein does not specifically disclose a method wherein the filter parameter is a limit on the number of counter parties. However, Finkelstein discloses a method wherein the filter parameter is a quantity or exposure and where identity is used as a filter parameter (page 2, paragraph 19; page 4, paragraph 27; page 6, paragraph 38; page 7, paragraphs 44 and 47; page 8, paragraph 56; page 11, paragraphs 81 and 82; page 12, paragraph 92). Examiner takes Official Notice that the use of limiting the number of parties with which to trade is old and well known. It would be obvious to one of ordinary skill in the art at the time of the invention to limit the number of traders using the parameters which limit the quantity and identify the members involved in trade. The motivation would be to prevent too wide of a horizontal trade base, but rather to keep the trade base tighter with fewer trading partners.

Claims 6 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Finkelstein, and further in view of "PAM for securities: For investment management" by Jessica Keyes in 1996 (further referred to as Keyes).

Regarding claim 6, Finkelstein discloses a method wherein identifying includes matching information associated with the at least two short positions and information associated with the at least two long positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79). Finkelstein does not disclose where the information is CUSIP information. However, Keyes discloses where the information is CUSIP information. It would be obvious to one of ordinary skill in the art to modify the matching system as disclosed by Finkelstein to adapt the use of CUSIP filters as disclosed by Keyes. The motivation would be that CUSIP numbers indicate the identity of the issuer and the what kind of security it is and when matches are being constructed, issuers with which the individual does not want to trade or certain types of securities that they do not want to purchase or sell could be entered in order to filter based on the parameters as described in the CUSIP number.

Regarding claim 11, Finkelstein discloses a method for automatically identifying a counter party position for a short or a long position (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79), the method comprising:

Receiving at a first terminal at least two short positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79);

Receiving at the first terminal at least two long positions (page 1, paragraphs 2-4; page 6, paragraph 40; page 7, paragraph 45; page 9, paragraph 64; page 11, paragraph 79);

Filtering the at least two short positions or the at least two long positions according to filter parameters (page 4, paragraph 27; page 5, paragraphs 33-34; page 6, paragraph 38; page 7, paragraphs 44, 47 and 49; page 8, paragraph 56; page 11, paragraphs 81-82; page 12, paragraphs 89 and 91-92; page 13, paragraph 108);

Identifying at the first terminal a selected short position from the at least two short positions and a selected long position from the at least two long positions, the selected short position and the selected long position identified by parameters associated with the positions (page 6, paragraph 40; page 7, paragraphs 44-47 and 49; page 8, paragraph 56; page 12, paragraph 89; page 13, paragraph 103) and

Providing sufficient information from the first terminal to a second terminal and to a third terminal to allow a transaction between the selected short position and the selected long position (page 9, paragraph 64; page 11, paragraph 79; page 12, paragraph 89; page 13, paragraph 103).

Finkelstein does not disclose where the identification is by CUSIP information. However, Keyes discloses where the identification is by CUSIP information. It would be obvious to one of ordinary skill in the art to modify the matching system as disclosed by Finkelstein to adapt the use of CUSIP identifiers and filters as disclosed by Keyes. The motivation would be that CUSIP numbers indicate the identity of the issuer and the what kind of security it is and when matches are being constructed, issuers with which the

Art Unit: 3628

individual does not want to trade or certain types of securities that they do not want to purchase or sell could be entered in order to filter based on the parameters as described in the CUSIP number.

### ***Conclusion***

Any inquiry concerning this communication should be directed to Jennifer Liversedge whose telephone number is 571-272-3167. The examiner can normally be reached on Monday – Friday, 8:30 – 5 PM.

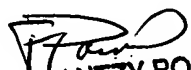
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Sam Sough can be reached at 571-272-6799. The fax number for the organization where the application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Jennifer Liversedge

Examiner

Art Unit 3628

  
FRANTZY POINVIL  
PRIMARY EXAMINER  
AU 3628